

AMENDED IN SENATE APRIL 27, 2000

SENATE BILL

No. 1520

Introduced by Senator Schiff

February 17, 2000

An act to amend Sections 21628 and 21630 of the Business and Professions Code, relating to secondhand goods.

LEGISLATIVE COUNSEL'S DIGEST

SB 1520, as amended, Schiff. Secondhand dealers: coin dealers: reporting.

Existing law requires secondhand dealers and coin dealers, on forms either approved or provided at actual cost by the Department of Justice, to report daily all tangible personal property purchased, taken in trade or pawn, accepted for sale on consignment, or for auctioning, to the chief of police or sheriff, as specified. That report, unless otherwise agreed upon by the parties, is required to be submitted by mail. *A violation of these reporting requirements, as well as other provisions that regulate the secondhand and coin dealer businesses, is a crime.*

This bill would require the department, in consultation with local law enforcement agencies, to develop clear and comprehensive descriptive categories ~~denoting that property for reporting purposes. It would require that this information be transmitted by electronic means, in a format determined by the local law enforcement agency, either via the internet or by computer disc for this property and to develop, also in consultation with these agencies as well as with representatives of the secondhand and coin dealer businesses,~~

a format that secondhand and coin dealers would be required to use to electronically report these property transactions, as specified. This bill would exempt from this electronic reporting requirement a coin dealer who engages in less than 10 transactions each week in which he or she purchases, takes in trade or pawn, or accepts for sale, consignment, or auction tangible personal property and would require these coin dealers to report by mail or facsimile transmission these transactions under the categories and on a form developed for this purpose by the Attorney General.

Because this bill would specify particular reporting methods with which, secondhand and coin dealers are required to comply, it would expand the scope of an existing crime and would thereby impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: ~~no~~ yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 21628 of the Business and
 2 Professions Code is amended to read:
 3 21628. Every secondhand dealer or coin dealer
 4 described in Section 21626 shall report daily, or on the first
 5 working day after receipt or purchase of the property, on
 6 forms either approved or provided at actual cost by the
 7 Department of Justice, all tangible personal property
 8 which he or she has purchased, taken in trade, taken in
 9 pawn, accepted for sale on consignment, or accepted for
 10 auctioning, to the chief of police or to the sheriff, in
 11 accordance with the provisions of Sections 21630 and
 12 21633 and subdivision (j) of this section. The report shall
 13 be legible, prepared in English, completed where

1 applicable, and include, but not be limited to, the
2 following information:

3 (a) The name and current address of the intended
4 seller or pledgor of the property.

5 (b) The identification of the intended seller or
6 pledgor. The identification of the seller or pledgor of the
7 property shall be verified by the person taking the
8 information. The verification shall be valid if the person
9 taking the information reasonably relies on any one of the
10 following documents, provided that the document is
11 currently valid or has been issued within five years and
12 contains a photograph or description, or both, of the
13 person named on it, is signed by the person, and bears a
14 serial or other identifying number:

15 (1) A passport of the United States.

16 (2) A driver's license issued by any state, or Canada.

17 (3) An identification card issued by any state.

18 (4) An identification card issued by the United States.

19 (5) A passport from any other country in addition to
20 another item of identification bearing an address.

21 (c) A complete and reasonably accurate description of
22 serialized property, including, but not limited to, the
23 following: serial number and other identifying marks or
24 symbols, owner-applied numbers, manufacturer's named
25 brand, and model name or number. Watches need not be
26 disassembled when special skill or special tools are
27 required to obtain the required information, unless
28 specifically requested to do so by a peace officer. A special
29 tool does not include a penknife, caseknife, or similar
30 instrument and disassembling a watch with a penknife,
31 caseknife, or similar instrument does not constitute a
32 special skill. In all instances where the required
33 information may be obtained by removal of a watchband,
34 then the watchband shall be removed. The cost associated
35 with opening the watch shall be borne by the
36 pawnbroker, secondhand dealer, or customer.

37 (d) A complete and reasonably accurate description of
38 nonserialized property, including, but not limited to, the
39 following: size, color, material, manufacturer's pattern
40 name (when known), owner-applied numbers and

1 personalized inscriptions and other identifying marks or
2 symbols. Watches need not be disassembled when special
3 skill or special tools are required to obtain the required
4 information, unless specifically requested to do so by a
5 peace officer. A special tool does not include a penknife,
6 caseknife, or similar instrument and disassembling a
7 watch with a penknife, caseknife, or similar instrument
8 does not constitute a special skill. In all instances where
9 the required information may be obtained by removal of
10 a watchband, then the watchband shall be removed. The
11 cost associated with opening the watch shall be borne by
12 the pawnbroker, secondhand dealer, or customer.

13 (e) A certification by the intended seller or pledgor
14 that he or she is the owner of the property or has the
15 authority of the owner to sell or pledge the property.

16 (f) A certification by the intended seller or pledgor
17 that to his or her knowledge and belief the information is
18 true and complete.

19 (g) A legible fingerprint taken from the intended
20 seller or pledgor, as prescribed by the Department of
21 Justice. This requirement does not apply to a coin dealer,
22 unless required pursuant to local regulation.

23 (h) When a secondhand dealer complies with all of the
24 provisions of this section, he or she shall be deemed to
25 have received from the seller or pledgor adequate
26 evidence of authority to sell or pledge the property for all
27 purposes included in this article, and Division 8
28 (commencing with Section 21000) of the Financial Code.

29 In enacting this subdivision, it is the intent of the
30 Legislature that its provisions shall not adversely affect
31 the implementation of, or prosecution under, any
32 provision of the Penal Code.

33 (i) Any person who conducts business as a secondhand
34 dealer at any gun show or event, as defined in Section
35 178.100 of Title 27 of the Code of Federal Regulations, or
36 its successor, outside the jurisdiction that issued the
37 secondhand dealer license in accordance with subdivision
38 (d) of Section 21641, may be required to submit a
39 duplicate of the transaction report prepared pursuant to



1 this section to the local law enforcement agency where
2 the gun show or event is conducted.

3 (j) (1) The Department of Justice shall, in
4 consultation with appropriate local law enforcement
5 agencies, develop clear and comprehensive descriptive
6 categories denoting tangible personal property subject to
7 the reporting requirements of this section. These
8 categories shall be incorporated by secondhand dealers
9 and coin dealers described in Section 21626 for purposes
10 of the reporting requirements set forth herein. Any ~~such~~
11 ~~required~~ report shall be transmitted by electronic means;
12 ~~in a format determined by the local law enforcement~~
13 ~~agency, either via the internet or by delivery of a~~
14 ~~computer disc.~~ The Department of Justice and local law
15 enforcement agencies, in consultation with
16 representatives from the secondhand dealer and coin
17 dealer businesses, shall develop a standard format to be
18 used statewide to transmit this report electronically.

19 (2) Twelve months after the format and the categories
20 described in paragraph (1) have been developed, each
21 secondhand dealer and coin dealer shall electronically
22 report using this format the information required by this
23 section under these reporting categories. Until that time,
24 each secondhand dealer and coin dealer may either
25 continue to report this information using existing forms
26 and procedures or may begin electronically reporting this
27 information under the reporting categories and using the
28 format described in paragraph (1) as soon as each has
29 been developed.

30 (3) A coin dealer who engages in less than 10
31 transactions each week in which he or she has purchased,
32 taken in trade, taken in pawn, accepted for sale or
33 consignment, or accepted for auctioning tangible
34 personal property, shall report the information required
35 by this section under the reporting categories described
36 in paragraph (1) on a form developed by the Attorney
37 General that the coin dealer shall transmit each day by
38 facsimile transmission or by mail. Until that form is
39 developed, these coin dealers shall continue to report
40 information required by this section using existing forms

1 and procedures. If these transactions increase to 10 per
2 week, the coin dealer shall electronically report using the
3 format described in paragraph (1) the information
4 required by this section beginning six months after his or
5 her transactions exceed 10 per week or 12 months after
6 the format described in paragraph (1) has been
7 developed, whichever occurs later.

8 (4) Nothing in this subdivision shall be construed as
9 excepting a secondhand dealer from the fingerprinting
10 requirement of subdivision (g).

11 SEC. 2. Section 21630 of the Business and Professions
12 Code is amended to read:

13 21630. If the transaction takes place within the
14 territorial limits of an incorporated city, the report shall
15 be submitted to the police chief executive of the city or
16 his or her designee. If the transaction takes place outside
17 the territorial limits of an incorporated city, the report
18 shall be submitted to the sheriff of the county or his or her
19 designee.

20 SEC. 3. No reimbursement is required by this act
21 pursuant to Section 6 of Article XIII B of the California
22 Constitution because the only costs that may be incurred
23 by a local agency or school district will be incurred
24 because this act creates a new crime or infraction,
25 eliminates a crime or infraction, or changes the penalty
26 for a crime or infraction, within the meaning of Section
27 17556 of the Government Code, or changes the definition
28 of a crime within the meaning of Section 6 of Article
29 XIII B of the California Constitution.

